



STATE OF ALABAMA

ANNUAL STRATEGY STATEMENT

FISCAL YEAR 2009

Bob Riley
Governor

**ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS**

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Introduction

Vision: Appalachia will achieve socio-economic parity with the nation.

Mission statement of ARC: ARC's mission is to be a strategic partner and an advocate for sustainable community and economic development in Appalachia.

Each year, the thirteen member-states of the Appalachian Regional Commission (ARC) publish strategy statements outlining their plans for the use of ARC funds in the designated ARC service areas of their respective states. Programs and activities benefiting the residents of those areas are eligible to receive consideration for funding from the funds designated by Congress for that purpose. Thirty-seven counties in northern Alabama are included in the service area of the Appalachian Regional Commission (ARC). These counties are listed on the Alabama Department of Economic and Community Affairs (ADECA) web site: <http://adeca.state.al.us/> as well as the ARC web site at <http://www.arc.gov/counties>.

This strategy statement is submitted annually to the Commission and outlines the State's commitment for the use of ARC funds. It was written with the assistance of the eight Local Development Districts serving Appalachian Alabama: West Alabama Regional Commission, Regional Planning Commission of Greater Birmingham, Top of Alabama Regional Council of Governments, Northwest Alabama Council of Local Governments, North Central Alabama Regional Council of Governments, South Central Alabama Development Commission, Central Alabama Regional Planning Commission, and East Alabama Regional Planning and Development Commission and David Hughes of the Appalachian Regional Commission staff in Washington.

Overview of the ARC Alabama Program

Organization

The Appalachian Regional Commission is a regional economic development agency, representing a partnership of federal, state, and local governments, designed to address local needs. The Commission was established by Congress as part of the Appalachian Regional Development Act (ARDA) of 1965. In March of 2002, ARC was granted an historic five-year reauthorization by the 107th Congress, authorizing the agency's operation through fiscal year 2006.

ARC is comprised of the governors of 13 Appalachian states and a federal co-chair, who is appointed by the president. Grassroots participation is provided through state support and multi-county development organizations called local development districts (LDDs). Each year Congress appropriates funds, which ARC allocates among its member states. The Appalachian governors prepare annual Appalachian strategy statements (such as this one), solicit and receive proposals, and select projects for ARC approval. The LDDs are an essential partner and provide local input in the development of the annual strategy statement.

The development organization for ARC Alabama functions within the Governor's Office. Administration responsibilities for the development programs of the ARC were assigned by the Governor to the Director of the Alabama Department of Economic and Community Affairs (ADECA). As such, the Director serves as the Alternate State Member of the Commission. Local support and technical assistance is provided by eight LDDs which serve the entire Appalachian Alabama region. The LDDs are governed by boards comprised of elected officials, business people, and other local leaders. (See Appendix 1 for a complete listing of LDDs).

Service Area

Thirty-seven of Alabama's sixty-seven counties are located within the Appalachian Region. These counties are: Bibb, Blount, Calhoun, Chambers, Cherokee, Chilton, Clay, Cleburne, Colbert, Coosa, Cullman, DeKalb, Elmore, Etowah, Fayette, Franklin, Hale, Jackson, Jefferson, Lamar, Lauderdale, Lawrence, Limestone, Macon, Madison, Marion, Marshall, Morgan, Pickens, Randolph, St. Clair, Shelby, Talladega, Tallapoosa, Tuscaloosa, Walker, and Winston.

Appalachian Development Highway System

The completion of the Appalachian Development Highway System (ADHS) will offer an important contribution to economic growth in Appalachian Alabama. ADHS Corridors X and V will provide major new connections to Memphis, Tennessee in the west and Atlanta, Georgia to the east. Corridor X runs between Birmingham and Itawamba County, Mississippi and will provide an important alternative to U.S. 78, currently the only major east-west highway corridor in the area. U.S. 78 is presently a two-lane highway that travels through the heart of a number of small communities and is subject to heavy auto and truck traffic levels. Corridor X, being constructed to Interstate standards, will have a minimum of four lanes and feature full access control. Corridor V in Alabama links the Mississippi State Line to the Tennessee State Line and is now nearly complete with approximately 135 miles open to traffic. Corridor V having been constructed in stages still requires more work - primarily the addition of travel lanes.

While the ADHS provides important highway access, improving connections between the highway network and important rail lines, inland waterways, and airports will assure the global reach necessary for area businesses to compete and succeed in the global economy of the 21st century. Building on the success of the International Intermodal Center at Huntsville International Airport and capitalizing on the new containerized shipping capabilities now being developed at the Port of Mobile, improved coordination and integration of highway, rail, inland navigation, and aviation services will provide Appalachian Alabama with a powerful new link to the global supply chain, improving the competitiveness of existing businesses and attracting important new enterprise into the region.

Economic and Social Status of ARC Alabama

Distressed Counties

ARC's primary objective is to help "distressed" counties generate sufficient economic development to stabilize their respective economies. The ARC uses an index-based economic classification system for Appalachian counties. The index compares the economic vitality of the region's counties with all counties across the United States. ARC has traditionally used three economic indicators—unemployment, the poverty rate and per capita market income—as criteria for its designations of the economic classification of its counties. Economic status designations have been based on a set of thresholds for national averages of each indicator that are evaluated independently for each county. In recent years, the Commission has developed an alternative classification method using these same indicators in an index-based system that allows a comparison of the region's counties to the rest of the nation and establishes the different county designations by means of this comparison. This method of designation provides a composite measure of economic vitality for each ARC county, while allowing a comparison of the region's vitality to that of the nation.

The following economic indicators shall be used to designate the economic classification status of Appalachian counties—per capita market income, the poverty rate, and the three-year unemployment rate. The index-based approach to the economic classification of ARC counties provides that ARC Distressed counties shall be those in the lowest 10% of all counties in the nation. Appalachian counties whose composite index value ranks above the lowest 10%, but not greater than the lowest 25%, of all the counties in the nation shall be designated At-risk counties. Appalachian counties whose composite index value ranks in the highest 25%, but less than the highest 10% of all counties in the nation shall be designated Competitive counties. Appalachian counties that have a composite index value in the highest 10% of all the counties in the nation shall be designated Attainment counties. All other ARC counties shall be designated Transitional counties. For FY-2009, Alabama has two Attainment Counties (Madison and Shelby) and one Competitive County (Elmore).

The following table denotes which Appalachian Alabama counties have received a *distressed* classification since FY2004:

FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
Bibb Fayette Franklin Hale Macon Pickens Winston	Bibb Franklin Hale Macon Pickens	Bibb Franklin Hale Macon Pickens	Franklin Hale Macon Pickens	Hale Macon	Hale Macon

At-Risk Counties

Under the index system, counties between the lowest 10% and 25% of the nation are designated At-Risk. Under the index-based economic designations, there are four (4) At-Risk counties in Appalachian Alabama for FY-2009. In index value descending, these are: Bibb, Lamar, Pickens, and Randolph Counties.

Economic Summary

Appalachian Alabama's population in 2000 was over 2,837,000 with nearly 1,565,000 employed in full or part-time work, or self-employed. These counties account for 64 percent of total employment in the state, which is slightly higher than the Appalachian portion's population share of 63 percent. Manufacturing sectors lost nearly 6 percent of their employment over the 1996-2000 period, although manufacturing still accounts for 20 percent of all private employment. Nonetheless, job losses have been pronounced in the furniture and fixtures industries, lumber and wood products industries, and apparel and textiles. Job growth in the finance, insurance, and real estate sectors increased by 22.4 percent over the 1996-2000 period--a slightly faster pace than in the state as a whole. Overall, the service sector also posted higher job growth than the statewide average. Farm and mining employment registered declines as these sectors continued to retrench. Meanwhile, Appalachian Alabama has borne a disproportionate share of reductions in civilian and military federal employment in the state over the last several years.

Program Initiatives Review

Summary of LDD Activities

Northwest Alabama Council of Local Governments: (Colbert, Franklin, Lauderdale, Marion and Winston Counties) The Northwest Alabama Council of Local Governments serves District 1, which includes Colbert, Franklin, Lauderdale, Marion and Winston counties. NACOLG continues to serve governmental entities of District 1 during FY2007 by working to improve the economic quality of life in the region. NACOLG participates in the workforce development program which offers skills training to individuals in an effort to have a reliable and well trained workforce available for any industry desiring to locate in the region. NACOLG is partnering with Haleyville Technology Center and Bevill State Community College to offer the training. Additionally, NACOLG continues to work with the Small Business Development Center in promoting the Revolving Loan Fund Program. A representative markets the NACOLG RLF program to financial institutions within the five-county area to increase knowledge of the program and its availability to companies desiring to create or retain jobs in the region. The LDD has made 40 loans totaling \$3,180,804 and leveraged private dollars of \$1,839,839. These loans have been instrumental in retaining or creating over 700 jobs in the area.

NACOLG assists member governments and other organizations within its five-county region, in the planning and preparation of applications for ARC assistance. In accordance with this members of the NACOLG staff attend ARC workshops to stay abreast of the application process.

The LDD continues to seek funds from sources such as the Community Development Block Program, Economic Development Administration, USDA Rural Development, Environmental Protection Agency, Department of Transportation and Special Appropriation and Federal Emergency Management Agency as well as any other source that may come available to assist local governments. NACOLG continues to assist these member governments in applying for grants to provide physical infrastructure such as water lines/water storage, sewer and road improvements. NACOLG also assists local governments in applying for Land and Water Conservation Funds to secure funding necessary to improve recreational programs for citizens in their communities. NACOLG also assisted local governmental entities in procuring grants which enabled them to assist local firms in the creation and retention of jobs. NACOLG will again provide Grant and Technical Assistance to fire and rescue departments in the region applying for grants through the FEMA Fire Grant program.

NACOLG in cooperation with the Alabama Department of Transportation has begun the Northwest Alabama Rural Planning Organization to help facilitate meetings between local elected officials and the citizens within the region.

As part of its planning process, NACOLG assisted its local governmental entities in completing master plans, comprehensive plans, tourism development plans, downtown revitalization plans, redistricting plans, hazard mitigation plans and homeland security plans. NACOLG continues to provide assistance to local governments in seeking these funds.

West Alabama Regional Commission covers the Appalachian counties of Bibb, Fayette, Hale, Lamar, Pickens, and Tuscaloosa. The region also includes Greene County, a non-ARC county. In FY 2008 Hale County is the only distressed county in the region. Bibb, Lamar and Pickens counties are at-risk; and Fayette and Tuscaloosa are transitional counties.

Upgrading and expanding water and sewer infrastructure throughout the West Alabama region remains a top priority for the LDD. Providing these services in remote rural areas with sparse populations is a challenge for local governments and water and sewer authorities. Some water systems serve populations outside their political jurisdictions. In other instances, incorporated areas frequently annex areas, adding to the need for expansion of their systems. Repair of old, worn-out facilities with limited resources is a major challenge for many parts of the region.

To assist local governments and their water authorities, the LDD completed a significant water system mapping project using Global Positioning System technology in Bibb, Hale and Pickens counties. The staff coordinated the 18-month project with local water authority personnel and engineering firms. The project is being used as a model for the other regional councils in the state as more regional councils examine the feasibility of conducting similar projects in their regions.

Rural transportation planning is another major on-going initiative for the LDD in 2008. WARC completed a Rural Planning Organization (RPO) pilot project for the Alabama Department of Transportation (ALDOT). The pilot project resulted in a rural transportation planning program for West Alabama's six nonmetropolitan counties. The project is being used as a model for a rural transportation consultation process throughout the state.

The Federal Emergency Management Agency (FEMA) requires each county to develop a Hazard Mitigation Plan that identifies all natural hazards and strategies to lessen the impact that disasters have on people and property. The staff is working with officials in each county in the region to compile the necessary data and update existing plans.

An asset-based economic development project was completed in Hale County. The Safe House Black History Museum in Greensboro has expanded their resources as well as their services to provide learning tools, exhibits, and meeting facilities to attract more visitors including students. In addition to the director, the museum has a computer technician available to troubleshoot as well as demonstrate use of the computer programs offered on-site to visitors.

Another project that is based upon the region's assets is a tourism DVD and website showcasing West Alabama's heritage tourism attractions. WARC partnered with the Tuscaloosa Convention and Visitors Bureau to develop the project. Copies of the DVD have been distributed across the region and state. The website makes it possible for anyone with Internet access to take a virtual tour of West Alabama.

ARC's Western Loop Tourism initiative that also proposes to showcase West Alabama's tourism attractions is underway to strengthen local heritage trails and corridors for local economic benefit and develop a sustainable tourism product that will drive travelers and economic support into Bibb, Hale and Tuscaloosa counties. A local group of tourism specialists representing attractions in the three counties is working with ARC staff and Fahlgren, Inc. personnel to carry out the project.

Other priorities in 2008 include Governor Bob Riley's Alabama Rural Action Commission and the Black Belt Action Commission. The Alabama Rural Action Commission (ARAC) focuses on measurably improving health care, education, economic development and workforce development in rural areas. The West Alabama region makes up one of the eight ARAC regions.

The West Alabama Regional Commission's involvement in the Black Belt Action Commission is focused on communications, families, education, and small business development. Black Belt counties in the West Alabama region are Hale, Pickens and non-ARC Greene County. The committees extend beyond regional lines with members representing counties across the Black Belt area of the state.

Early education is becoming a major focus around the state. Studies indicate that the high school drop-out rate is significantly reduced when children start their formal education prior to kindergarten. The Hale County Board of Education is administering

the HIPPY program (Home Instruction for Parents of Pre-school Youngsters) and is experiencing great success thus far. Three individuals trained as home visitors are working with parents in over 50 homes, teaching them how to be their children's first teacher.

Information technology remains an area of interest. Wireless broadband technology is the focal point of efforts by a small, rural volunteer fire department in Pickens County to enable firemen to access the on-line training required to meet new and higher standards of firefighting.

Telemedicine is yet another local interest that should be developed and expanded. LDD staff prepared a proposal to the Federal Communications Commission for their Rural Health Care Pilot Program to provide broadband telemedicine capability between DCH Regional Medical Center in Tuscaloosa and their rural counterparts in Fayette and Pickens counties. The FCC approved the proposal. The Pickens County Medical Center is the lead agency for the project.

Regional Planning Commission of Greater Birmingham: (Blount, Chilton, Jefferson, St. Clair, Shelby and Walker Counties) are served by the Regional Planning Commission of Greater Birmingham. The LDD continues to assist local governments with grant management, planning and technical assistance services including assistance in implementing various community and economic development applications.

LDD staff is engaged in the development of proposals for local communities to create effective community development plans. A community planning implementation strategy has been developed that is currently being promoted throughout the six-county region as the Community Planning Action Grant Program (CPAG). The CPAG is designed to assist local governments with the development, adoption and implementation of various community planning projects, including, but not limited to, comprehensive plans, zoning ordinances, and subdivision regulations. The goals of the program are to (1) provide local governments in the RPCGB region with affordable, comprehensive community planning services; (2) increase the number of community planning projects in non-urban RPCGB counties, and (3) identify candidate projects for implementation assistance through RPCGB's economic development program.

Another integral part of the program is providing the planning assistance needed to transform local downtown areas into attractive, functional and economically-viable commercial centers.

The CPAG program has a direct correlation to the RPCGB's existing Building Communities program. Building Communities has dedicated funding through various sources, mainly transportation-related, to help communities in Jefferson and Shelby Counties achieve the following goals:

Goal 1: Economic Development

To achieve a growing and balanced economy.

Goal 2: Land Use, Transportation and Community Facilities and Services

To ensure the coordination of land use planning and transportation planning as well as the provision of community facilities and services throughout the region in support of efficient growth and development patterns.

Goal 3: Housing

To ensure that all residents of the Greater Birmingham region have access to adequate and affordable housing

Goal 4: Natural and Cultural Resources

To conserve and protect the environmental, natural and cultural resources of the Greater Birmingham region's communities consistent with or above the efforts of the State of Alabama

Goal 5: Intergovernmental Coordination

To ensure the coordination of local planning efforts with other local service providers and authorities, with neighboring communities and with state and regional plans and programs.

The LDD recognizes that, since Shelby County is an attainment county, the funding for the Building Communities program must come from non-ARC sources. However, the LDD is also mindful that the growth of Shelby County has a direct and significant impact upon the health and future of non-attainment counties.

LDD personnel have been closely involved in all regional brownfield redevelopment planning activities. This has entailed identifying and engaging stakeholders from throughout the region, from state and federal agencies and the general public. Area governments have acquired the Trinity Steel brownfield site near UAB, prepared it for redevelopment, and are presently marketing it for mixed-use development. Brownfield sites in Ensley and the airport area are also being considered for reuse as industrial and distribution sites. Project outputs are listed on the RPCGB website at <http://www.rpcgb.org/brownfields/brownfields.htm>

The LDD will soon have additional opportunities to strengthen its relationships with member governments in Chilton, Blount, Jefferson, St. Clair and Walker Counties as they develop new business and industrial parks. Assistance is also being provided to local groups in Blount, St. Clair and Walker Counties that have existing industrial parks which need to be upgraded or expanded.

Small business incubators operated by UAB and the City of Birmingham have recently been consolidated and relocated to a renovated building in Downtown Birmingham. This has enabled both operations to be efficiently managed by a single management team. ARC grant assistance was requested and received for this project. RPCGB provided technical assistance on grant administration.

The LDD continues to assist area businesses with mezzanine financing. The LDD has made eleven RLF loans totaling over \$1.9 million, with more than five of these loans being made in the last year; a significant performance increase over previous years

activities. The loans have leveraged \$12.4 million in private financing and resulted in the creation or retention of 200 jobs. The LDD has also helped businesses secure other capital where use of the RLF has not been suitable.

Through the Building Communities program, the Community Planning Action Grants program and others, the RPCGB is invigorating its planning and economic development processes. These programs, along with our stronger emphasis on plan implementation will help more ARC service area communities remain vibrant or become vibrant once again.

East Alabama Regional Planning & Development Commission: (Calhoun, Chambers, Cherokee, Clay, Cleburne, Coosa, Etowah, Randolph, Talladega, and Tallapoosa Counties) are served by the East Alabama Regional Planning and Development Commission. EARPDC continued to increase leadership and administrative capabilities of local government officials through training seminars held periodically in association with the monthly meetings of the EAC Board of Directors. EARPDC also encouraged local officials, staff, and boards to participate in statewide conferences and training sessions by mailing brochures to its mailing list. EARPDC also maintains a website with similar information.

EARPDC has pursued every opportunity to offset the cost of improving the water, sewer and road systems in the region. ARC, CDBG and EDA grants was awarded to provide infrastructure improvements; EARPDC will continue to pursue grant opportunities in the future. The LDD maintains a water and sewer inventory by county that includes a report outlining the service and capability of each system and a map showing each system's lines for each county. The reports were updated in 2006. The maps were updated in 2005.

The LDD continued to pursue grant opportunities to improve infrastructure to brownfield areas as well as greenfield areas. Two closed military installations within the region have been turned over to their respective local communities within the last few years, and intensive efforts are underway to create as many jobs as possible through the redevelopment of these properties. Both installations will be redeveloped using mixed land uses including industrial, a wildlife preservation, recreational, residential, and commercial uses. At the installation in Calhoun County, McClellan Properties, grants were acquired to improve the wastewater treatment plant to support future development on the Properties. 950 acres have been designated at McClellan as an industrial park. Currently, a state grant has been obtained to aid in constructing an industrial access road, but additional funding is still required before this project can begin. In addition, the Eastern Bypass (connection from McClellan to Interstate 20) must be completed before full development of the industrial park will become feasible. Although construction progress has been steady, the project still requires an additional \$50 million to complete.

In preparation for the closing of Fort McClellan, grants were obtained to aid in the establishment of a small business incubator, which opened in 1998. The incubator, as of January 2008, has been in operation for 10 years. Eleven companies have successfully

graduated from the facility; eleven start-ups now occupy the facility. As of the end of 2005, over 285 direct jobs and 350 indirect jobs had been created by the incubator businesses. Annual wages amounted to over \$7.5 million in 2005; annual revenues were calculated at \$23 million. In 2004, nearly \$1 million in city sales taxes and another \$1 million in state taxes were generated by the incubator's businesses.

In Childersburg, the redevelopment of a closed army base is proceeding. The Childersburg Industrial Park consists of 2,100 acres on property once used as a munitions factory. The site has been environmentally cleaned up, and development is slowly progressing. Previously, only 1 company had located here, but in the summer of 2005, Nippon Oil, LTD announced it would build a new lubricants production facility in the Park. Both ARC and CDBG grants were obtained for this project, in order to deliver sewer infrastructure to the site. The Water Board provided water to the site, and the City of Childersburg utilized a state grant to construct the access road. Nippon injected a capital investment of \$20 million and since the fall of 2006, has created 23 highly paid new jobs, and projects more jobs for the future. As an added bonus, the infrastructure brought to the industrial park because of this project will serve to promote the development of the entire 2,100 acre park.

With three major automotive manufacturers and the new Kia plant to be built just across the Georgia border, Alabama has become an attractive place for automotive suppliers to locate. New supplier plants have located recently in Talladega, Coosa, Tallapoosa and Chambers counties.

The Lake Martin Area Industrial Development Authority (LMAIDA) has completed the infrastructure for the 85-acre Lake Martin Regional Industrial Park in Coosa County. Currently 3 companies have located here. AmTech, an original occupant of the Park, has consolidated its operations and moved into one of the old mill buildings in near-by Alexander City, where it now employs 265. The spec building has not yet been occupied.

At William Thweet Industrial Park near Dadeville (Coosa County), KwangSung America is constructing a 70,000 sq. ft. facility which will employ 160 workers. The facility will be an automotive supplier to Hyundai near Montgomery, and well as to the new Kia plant being built in near-by Georgia.

The City of Heflin suffered when the Tyson plant there was damaged extensively by fire. The 267 employees found jobs at other Tyson locations, as Tyson will not rebuild the plant, and has announced plans to sell several of its plant across the state.

The largest and most far-reaching activity within the East Alabama region is the infrastructure expansion in the City of Lincoln (Talladega County) in response to Honda's decision to locate its new plant nearby. A package of federal and state grants was assembled to upgrade the roads, water, and wastewater treatment facilities. These facilities will not only benefit the Honda plant, but will also accommodate the expected growth within Lincoln itself. The plant began operation in late 2001 with a projection of 1,500 workers. Since then, several expansions have been implemented. Current

employment stands at 4,500, with a cumulative investment from Honda of \$1.3 billion. Gulf Shores Assembly (wheel assembler) opened a plant on the Honda campus in 2008, employing 48. In response to the location of a new Honda plant in Alabama, many Honda suppliers have elected to locate throughout the state, creating hundreds of additional new jobs. Honda has had a significant impact on the area. In Talladega County, the per capita income has risen from \$19,014 in 1999 to \$25,423 in 2005.

South Central Alabama Development Commission: (Bullock, Butler, Crenshaw, Lowndes, Macon, Montgomery, and Pike Counties). Served by the South Central Alabama Development Commission, Macon County is the only Appalachian county in Local Development District 5. This county of 22,810 (2005 est.) persons is also an ARC designated “distressed” county. Plagued by higher than average unemployment, high family poverty, and low per capita income rates, Macon County has undergone and is experiencing efforts to remedy these troubling figures. During FY 2008, many projects received and continued to receive ARC support and funding. Each of these projects came about as a result of implementing the goals and objectives identified in the State’s *Annual Strategy Statement* as well as other local plans and strategies. Such projects included the development of an infrastructure database for the City of Tuskegee utilizing GIS technology.

Central Alabama Regional Planning & Development Commission: (Autauga, Elmore and Montgomery Counties). Of the three counties served by CARPDC, Elmore is the only county classified as Appalachian. CARPDC has preformed the following services for Elmore County and its seven municipalities.

- ◆ **Coosada-** Planning services and technical assistance with zoning and sub-division issues, written new Nuisance and Pool Ordinances, and established Tree Commission.
- ◆ **Deatsville** – Planning services and technical assistance with land use and grant programs
- ◆ **Eclectic** – CDBG implementation for a Senior Center, services and technical assistance with zoning issues, and assisted with ordinance interpretations.
- ◆ **Elmore (Town of)** –Assisted with annexation process, Planning services and technical assistance with zoning and sub-division issues, grant assistance, and assisted with ordinance interpretations.
- ◆ **Elmore County** –Completed Comprehensive Planning process, technical assistance to the County EMA and Economic Development Authority, and grant assistance.
- ◆ **Millbrook** – Subdivision Regulations assist with annexation process, Zoning Ordinance, assisted with the development of a Tree Ordinance and Commission and provided training and technical assistance.
- ◆ **Tallassee** – Updated Base Maps, developed subdivision regulations and zoning ordinances, administered two (2) Industrial Access Grants and two (2)

Economic Development CDGBs, assisted in re-establishing Tree commission, two (2) Tree Grants and provided technical assistance and training.

- ◆ **Wetumpka** – Update base maps, updated Zoning Map, implemented Transportation Enhancement Project Wetumpka River-walk and provided technical assistance and training.

North Central Alabama Regional Council of Governments: (Cullman, Lawrence, and Morgan Counties) are served by the North-Central Alabama Regional Council of Governments. All three counties are transitional counties.

Providing infrastructure to promote economic development is a priority throughout the NARCOG Region. ARC Funds were approved for the installation of water and sewer infrastructure to serve Indorama's new plant in Morgan County. The project is expected to create 100 new jobs with a total capital investment of over \$160 million. NARCOG continued to assist local governments in applying for Land and Water Conservation funds in support of recreational projects. As part of its' planning process, NARCOG assisted with downtown revitalization plans, strategic and comprehensive plans for local governments, hazard mitigation plans and homeland security plans.

Additionally, NARCOG was very successful in the creation of new jobs through its Revolving Loan Fund Program, thus reducing the unemployment in the NARCOG Region. A total of 64 loans were made with \$5 million in Revolving Loan Funds, leveraging \$26 million in private dollars and creating 894 jobs averaging \$5,592 per job.

The LDD staff attended various seminars and meetings in an effort to obtain information and serve as a liaison with local governments. NARCOG continued to promote the LDD through the use of a visual display, which is set up at major conferences, local events and local governments.

Top of Alabama Regional Council of Governments: (DeKalb, Jackson, Limestone, Madison, and Marshall Counties) are served by the Top of Alabama Regional Council of Governments. During FY 2008, three major impact/opportunity issues dominated the regional economic potential. On the negative side, imports and foreign trade imbalances in textiles and apparel markets continued to create unemployment and slow growth issues and the threat of final dislocation in these traditional mainstay entry-level job markets in DeKalb and Jackson County. In addition, the national market slump in manufactured housing and related housing demand continued to impede growth potentials in Marshall County.

On the positive side, military consolidation programs under BRAC and the ongoing expansion of biomedical research in Huntsville/Madison County, have an estimated potential area employment of over 10,000 direct and spin-off jobs over the five year period from 2008-2013. The economic impact of this influx is expected to flow from the local area, following area transportation arterials, and impact Jackson, Limestone and Marshall Counties significantly. Additionally, the national reaffirmation of a nuclear alternative energy policy contains two (authorized, but as yet unfunded) projects that

target the mothballed TVA Bellefonte facility in Jackson County. This project, when funded, also represents a high job potential for residents of DeKalb County.

During the program year, the LDD pursued the following efforts/actions to address these threats and help capitalize on opportunities, and to utilize the District's resources to increase the job attractive assets of quality of life for the area's citizens.

- Continued to provide ongoing technical assistance and grant support to regular grant programs and "targets of opportunity" - including application preparation and grant administration support for the vital T-21/T, EDA, LWCF, RTP, CDBG and FEMA/FIRE Grant Programs.
- Initiated a Rural Transportation Planning Program (RPO) for the District and laid the foundation for developing an ongoing multi-year coordinated Program effort. This initiative also has a high potential for providing unified input to ongoing regional planning efforts to insure future economic growth. By creating an environment where efficient transportation linkages promote industrial growth cluster patterns that help to manage rising fuel/energy costs, the District will gain an additional vital marketing advantage.
- Supported economic infrastructure projects - with continued emphasis on:
 - 1) DeKalb County/Fort Payne's need for wastewater and related infrastructure upgrades to promote jobs development to replace those impacted in the textile sector;
 - 2) Marshall County/Albertville: prepared EDA & ARC Applications for infrastructure to create 300+ high value avionics jobs, and to increase regional cluster potential for this sector.
 - 3) Assisted Jackson County with its spec industrial park development; and the development of their recreational/tourism economic assets; and facilitated plans to develop a medical and area hospital complex at Bridgeport.
- Assisted Madison County's Ditto Landing Port and Marina Authority with grants to upgrade and increase its recreational and tourism oriented Park and Marina facilities.
- Completed the Downtown Plan for Arab, and initiated major planning efforts for Valley Head, and Gurley, additionally, zoning assistance was provided to the City of Guntersville.
- Supported "Growth Center" jobs creation and retention in the Huntsville/Madison County area - with emphasis on executive level support to the State/Chamber of Commerce's 2006 BRAC activities, and began work to incorporate planning for BRAC impact projections into the region's CEDS and State Strategic Plan elements.
- The Agency served as the major interactive catalyst to update the Region's 2006-07 prioritization of projects and goals, and incorporate the 12 state planning District's CEDS documents into a 2007 unified State Strategic Plan.
- RLF program/portfolio expansion efforts were continued.
- Maintained support of USDA Community Facilities Loan Program applications.
- During late 2006, TARCOG, through ADEM, undertook a second Sub-Watershed & Water Quality Monitoring study project in DeKalb County. The Agency continued this program through 2007, and added an additional tributary/watershed study for 2008.

Ongoing staff efforts from 2008 included: technical assistance and grant support for the enhancement of recreational tourism, workforce development coordination and advocacy for critical environmental issues. In addition, the District's LDD staff continued to monitor Homeland Security issues and keep the counties advised on potential impacts at the local level.

Strategies for Appalachian Alabama

Strategic Goals

One of the key differences between ARC and other federal institutions is in the discretion given to the 13 states in determining how their allocated funds will be spent. Funds must be spent in accordance with ARC guidelines, on projects benefiting those counties designated as a part of the Appalachian Regional Commission's service area, and must meet at least one of ARC's four strategic goals and Alabama's state objectives. Specific strategies the State of Alabama may pursue to achieve our development goals are set forth below:

ARC Goal One: Increase job opportunities and per capita income in Appalachia to reach parity with the nation.

Strategic Objective 1.1: Foster Civic Entrepreneurship

State Strategy 1.1.1: Support training programs to increase the proficiency of business development practitioners, economic development officials, and international trade professionals.

State Strategy 1.1.2: Assist local communities to institute strategic planning and direction for future progress and improvement of their local economy.

State Strategy 1.1.3: Support local efforts to form partnerships, both short-term and long-term, between local governments, nonprofit community-based groups, and private businesses for economic and community improvement.

State Strategy 1.1.4: Encourage energy-efficiency through school, non-profit, and community-based programs.

Strategic Objective 1.2: Diversify the Economic Base

State Strategy 1.2.1: Provide capital funding for the development and expansion of small business incubators.

State Strategy 1.2.2: Encourage and support revolving loan fund capitalization efforts for Local Development Districts.

State Strategy 1.2.3: Support efforts to improve access to capital for small and medium-sized businesses.

State Strategy 1.2.4: Promote job creation through investment in the development of renewable energy resources throughout Appalachian Alabama.

Strategic Objective 1.3: Enhance Entrepreneurial Activity in the Region

State Strategy 1.3.1: Provide support from programs that seek to establish an entrepreneurial climate throughout Appalachian Alabama.

State Strategy 1.3.2: Support programs and initiatives that provide training, assistance, and other resources to entrepreneurs for the creation and expansion of local businesses.

State Strategy 1.3.3: Support programs that encourage and teach youth entrepreneurship.

Strategic Objective 1.4: Develop and Strengthen Strategic Assets for Local Economies

State Strategy 1.4.1: Support local efforts to develop and enhance the assets of Appalachian Alabama to increase the level of domestic and international visitation.

State Strategy 1.4.2: Support infrastructure development to increase tourism, based on the economic impact of the development.

State Strategy 1.4.3: Support training programs and workshops on tourism development for local areas.

State Strategy 1.4.4: Support the development, production, and use of local assets for the energy needs of Appalachian Alabama.

Strategic Objective 1.5: Increase the Domestic and Global Competitiveness of the Existing Economic Base

State Strategy 1.5.1: Support programs that will increase goods and services exported from Appalachian Alabama.

State Strategy 1.5.2: Encourage the use of e-commerce applications by small and medium-sized enterprises to improve their supply, manufacturing, and distribution chains

State Strategy 1.5.3: Support initiatives that promote increased foreign direct investment in Appalachian Alabama.

State Strategy 1.5.4: Support technical assistance to businesses and organizations for achievement of operational efficiencies through energy conservation.

ARC Goal Two: Strengthen the capacity of the people of Appalachia to compete in the global economy.**Strategic Objective 2.1: Foster Civic Entrepreneurship**

State Strategy 2.1.1: Support youth leadership development efforts through leadership training, experience-based education programs, apprenticeships, youth-operated enterprises, and cooperative education activities.

State Strategy 2.1.2: Support efforts to establish ongoing local leadership training programs.

Strategic Objective 2.2: Enhance Workforce Skills through Training

State Strategy 2.2.1: Strengthen programs that provide basic skills and workforce training to increase employee capabilities, improve job skills, and upgrade marketable skills.

State Strategy 2.2.2: Support workforce readiness programs that provide skills necessary to acquire jobs.

State Strategy 2.2.3: Strengthen basic skills programs in the public school system and establish specific competency requirements.

State Strategy 2.2.4: Support programs and mobilize resources to increase adult literacy.

State Strategy 2.2.5: Support programs and initiatives that provide for career planning and placement.

State Strategy 2.2.6: Strengthen programs that provide or enhance science, technology, engineering and mathematics (STEM) workforce training to increase employee capabilities, improve job skills, and upgrade marketable skills.

State Strategy 2.2.7: Support the planning and development of Regional Skills Alliances (RSAs) that provide workforce training for established industry clusters.

Strategic Objective 2.3: Increase Access to Quality Child Care and Early Childhood Education

State Strategy 2.3.1: Support initiatives that provide opportunities for a quality preschool experience through parent support programs, quality childcare and preschool programs.

State Strategy 2.3.2: Assist communities in developing programs and services for families and caregivers of young children that will ensure that all children are healthy and prepared to succeed in school.

State Strategy 2.3.3: Support educational programs in K-12 that will expand and improve current programs.

State Strategy 2.3.4: Support programs that improve teacher quality by increasing professional development programs.

State Strategy 2.3.5: Support programs that will expand the use of telecommunications in education, especially K-12.

State Strategy 2.3.6: Support initiatives that will provide technical assistance to communities on long-term financing, and resource identification for the continuation of exceptional programs.

State Strategy 2.3.7: Support initiatives that will help parents and caregivers learn positive skills to help them meet the physical, intellectual, social, and emotional needs of all children.

Strategic Objective 2.4: Increase Educational Attainment and Achievement

State Strategy 2.4.1: Support initiatives that promote lifelong learning.

State Strategy 2.4.2: Support programs that reduce the school dropout rate in our Appalachian counties to equal or better than the national average.

State Strategy 2.4.3: Utilize telecommunications, computers, and other technological capabilities to deliver education and training programs.

State Strategy 2.4.4: Strengthen programs that provide or enhance science, technology, engineering and mathematics training to increase employee capabilities, improve job skills, and upgrade marketable skills.

State Strategy 2.4.5: Continue to improve public education through the implementation of statewide reforms.

Strategic Objective 2.5: Provide Access to Health-Care Professionals

State Strategy 2.5.1: Support educational programs that train health-care professionals who will locate in Appalachian Alabama.

State Strategy 2.5.2: Support programs to provide primary health care to Appalachian citizens.

Strategic Objective 2.6: Promote Health through Wellness and Prevention

State Strategy 2.6.1: Bring the infant mortality rate into parity with the nation.

State Strategy 2.6.2: Support programs to strengthen prenatal and neonatal health care and to provide education programs to reduce the infant mortality rates.

State Strategy 2.6.3: Support programs to prevent teen pregnancy.

State Strategy 2.6.4: Support projects that expand access to health services through telemedicine applications.

ARC Goal Three: Develop and improve Appalachia's infrastructure to make the Region economically competitive.

Strategic Objective 3.1: Foster Civic Entrepreneurship

State Strategy 3.1.1: Encourage local leaders to explore innovative, cost-effective arrangements for delivery of services, including service consolidations.

State Strategy 3.1.2: Provide training, consultation, and financial support for local leaders and organizations to build capacity to address infrastructure challenges.

State Strategy 3.1.3: Support partnerships and regional efforts in infrastructure development.

State Strategy 3.1.4: Encourage water and wastewater infrastructure development through "self-help" projects that use the skills and commitment of local communities.

State Strategy 3.1.5: Support the utilization of high-quality geospatial data for use in planning infrastructure improvements in Appalachian Alabama.

State Strategy 3.1.6: Promote the coordination of geospatial data gathering and sharing activities among public agencies across Appalachian Alabama.

State Strategy 3.1.7: Encourage adherence to National Spatial Data Infrastructure standards when developing geographic information systems.

State Strategy 3.1.8: Support strategic planning initiatives for local organizations and agencies to capitalize on economic development opportunities created by the Appalachian Development Highway System.

Strategic Objective 3.2: Build and Enhance Basic Infrastructure

State Strategy 3.2.1: Support job creation and retention by investing in water, sewer, site development, industrial access roads, and other physical infrastructure to serve new and expanding industrial and commercial development.

State Strategy 3.2.2: Pursuant to ARC's residential service policy, ensure public health, regulatory compliance, and economic opportunity by providing new and existing customers with safe drinking water. The State will give priority to water projects that serve areas with documented health hazards.

State Strategy 3.2.3: Pursuant to ARC's residential service policy, ensure public health, regulatory compliance, and economic development by providing new and existing customers with wastewater disposal and treatment services. The State will give priority to wastewater projects that serve areas with documented health hazards.

State Strategy 3.2.4: Support the development and construction of strategic community facilities that will enhance opportunities for job creation and retention.

Strategic Objective 3.3: Increase the Accessibility and Use of Telecommunications Technology

State Strategy 3.3.1: Support initiatives that implement Alabama's Strategic Plan for Telecommunications in Appalachia.

State Strategy 3.3.2: Support efforts to link new and existing telecommunication networks.

State Strategy 3.3.3: Support training in the public, private, and non-profit sectors in Appalachian Alabama in the use of new technologies and applications.

State Strategy 3.3.4: Support projects that will evaluate existing architecture, infrastructure and equipment or facilitate the development of new applications and networks.

State Strategy 3.3.5: Support projects that will assist in the development of architecture infrastructure and equipment for new networks.

State Strategy 3.3.6: Support promising and innovative telecommunications applications and programs.

State Strategy 3.3.7: Encourage strategic investment in telecommunications infrastructure, including the use of conduit for fiber optic cable in basic infrastructure projects, that increases local, regional, and global connectivity.

State Strategy 3.3.8: Develop "smart parks" with telecommunications infrastructure, which will meet the needs of information industries.

Strategic Objective 3.4: Build and Enhance Environmental Assets

State Strategy 3.4.1: Support programs to raise awareness and leverage support for the reclamation and reuse of brownfields properties in industrial areas and mine-impacted communities.

State Strategy 3.4.2: Encourage eco-industrial development that can responsibly take advantage of the Region's natural-resource assets.

State Strategy 3.4.3: Support regional planning and economic development policies and programs that promote good stewardship of the Region's natural resources.

State Strategy 3.4.4: Support programs that encourage planning for, and development of, healthy and livable communities.

Strategic Objective 3.5: Promote the Development of an Intermodal Transportation Network

State Strategy 3.5.1: Work with state and local partners to identify and develop intermodal transportation facilities.

State Strategy 3.5.2: Support programs to encourage the expanded use of existing intermodal facilities.

State Strategy 3.5.3: Extend rail spurs into industrial areas, with a priority on those that serve multiple sites.

ARC Goal Four: Build the Appalachian Development Highway System to reduce Appalachia's isolation.

Strategic Objective 4.1: Foster Civic Entrepreneurship

State Strategy 4.1.1: Encourage long-term strategic planning by local and regional leadership to take full advantage of the economic and community-building opportunities of the Appalachian Corridor Development.

State Strategy 4.1.2: Support local and multi-jurisdictional forums to promote communication and mutual understanding, and resolution of barriers to completion of the remaining ADHS miles.

Strategic Objective 4.2: Promote On-Schedule Completion of ADHS Corridors X and V

State Strategy 4.2.1: Support efforts to complete Corridor X.

State Strategy 4.2.2: Support efforts to complete Corridor V

State Strategy 4.2.3: Encourage the use of conduit for deployment of telecommunications technology.

Strategic Objective 4.3: Coordinate Work on ADHS State-Line Crossings

State Strategy 4.3.1: Encourage the coordination of technical information, funding disbursements, and construction scheduling between adjoining states to facilitate completion of state-line crossings of ADHS corridors.

Future Program Initiatives for FY09

Available Funds

It is anticipated that ARC Alabama in FY09 will receive an amount similar to that of FY08. At this time, spending is expected to follow the historical trend from prior years, with spending allocated across all of ARC's goal areas.

Special Initiatives (Asset-Based Economic Development)

ARC's Federal Co-chair periodically singles out a special opportunity or strategy to complement the Commission's proven methods of increasing the economic attainment of the Region. These regional initiatives have historically focused on areas such as telecommunications, leadership development, international trade and entrepreneurship. A special initiative introduced during the fiscal 2005 funding cycle is specifically focusing on development of the Region's assets in a way that leverages what is unique to each local area, with the overall goal being the development of an environment where the creation of jobs and local wealth can occur alongside the preservation of the local character of the community.

In identifying the advantages of the Region as a whole, four broad opportunities for development become apparent. These opportunities involve the leveraging of cultural,

natural, community-based, and structural assets. Examples of development strategies based on these assets are given below.

- **Cultural** - Building *creative* economies by capitalizing on traditional arts, cultural heritage, and new and existing programs for attraction of visitors, both domestic and international, has paid off for a number of regions across Alabama and the Appalachian Region. These strategies have included creation of heritage trails, development of apprenticeship programs, use of traditional retail venues and electronic commerce to market indigenous products, and highlighting the Region's music and narrative traditions.
- **Natural** – Appalachian Alabama has long been known for its natural assets, and the gateway communities leading to them stand to benefit greatly from increased visitation and spending. A sustainable, asset-based development strategy for these natural resources maintains their character while allowing for greater enjoyment of outdoor activities such as fishing, camping, white-water rafting, and rock climbing. Specialized agricultural development, including the processing of specialty food items, fish farming, and organic farming adds value to an activity that has traditionally been a primary economic pursuit. Getting the most from the Region's productive hardwood forests by maximizing sustainable timber harvesting and value-added processing can create jobs and local wealth.
- **Leadership/Community** – It is often said that a community's greatest assets are its organizations and its residents, especially those that take leadership roles in helping the community thrive and prosper. A comprehensive asset-based strategy builds community capacity, encourages citizen involvement, and fosters collaboration among business, government, nonprofit, and philanthropic organizations to act as catalysts for community and economic development. Successful leadership/civic capacity projects allow a community to rise up to meet the increasing demands of growth and change.
- **Structural** - Appalachian communities can turn local liabilities into opportunities by focusing on strategies such as brownfield redevelopment, adaptive reuse of real estate, and downtown revitalization. Converting overlooked and underused facilities into industrial parks, business incubators, or educational facilities has shown positive results across Appalachia. Throughout the Region, communities and businesses are integrating development and management practices to leverage what they have—historic buildings, abandoned railroads, and old mines—to build and enhance economic vitality.

In short, asset-based development leverages what is unique to an area, playing to community strengths. By contrast, support for the strengthening of generic weaknesses in a region's economy does not fit well into an asset-based development framework.

Proposals for funding asset-based economic development projects must demonstrate that they will contribute to the achievement of the initiative's goal.

Special Initiatives (Telecommunications)

The Alabama Department of Economic and Community Affairs (ADECA) will seek to increase the use of technology, distance learning, telemedicine, video arraignment,

economic development, and other telecommunications within Appalachian Alabama. ARC funds will be used to develop a fiber optic backbone, where fiber is available at a reasonable cost, and will use other systems that are reasonable and available when fiber is not obtainable. Each system or network funded will include the necessary equipment to connect with other networks or systems.

ADECA will provide assistance in the design of the system and assist in writing open specifications, so that applicants will not have to rely on a particular vendor to both design and bid on a system. Technology training will be provided to teachers and technology coordinators whenever a system is installed. A list of vendors will be maintained in the Science, Technology and Energy Division of ADECA and will be provided to each applicant, with a disclaimer that no particular vendor is recommended and that all projects must be bid.

Special Initiatives (Energy Blueprint)

The Appalachian Regional Commission is currently developing an Energy Blueprint for the Region, which will provide a strategic framework for the Commission to promote new energy-related job opportunities by stimulating sustainable energy production efficiency and conservation efforts throughout the region. The blueprint will assess the current energy landscape and examine both non-renewable and renewable energy opportunities based on the competitive potential of Appalachia's energy resources and current and emerging energy technologies. The blueprint will identify the Appalachian Region's energy assets and the potential for developing energy-related job opportunities in the Region based on the competitive potential of these assets.

The ARC Energy Advisory Council, consisting of one Governor-appointed energy expert from each of the 13 Appalachian states will bring their expertise, ideas and experience and use this and other information gathered to develop regional energy strategies and identify opportunities to address the changing energy market environment. Four areas to be addressed will be: non-renewables, renewables, jobs and energy, and energy efficiency and conservation.

The energy sectors are:

I. Non-Renewables

A. Coal

1. coal gasification and liquefaction
2. carbon capture and sequestration research and development
3. mine-tailing clean-up and energy production

B. Oil

1. enhanced oil recovery methods
2. oil shale resources

C. Natural Gas (and natural gas recovery)

D. Hydrogen production from non-renewable sources

E. Market Dynamics and Environment Costs

II. Renewables

- A. Wind
- B. Solar
- C. Hydro
- D. Biomass/Biofuels
- E. Geothermal
- F. Waste to energy
- G. Hydrogen/Fuel cells
- H. Market Dynamics and Environmental Costs

III. Energy Efficiency

- A. Industry
- B. Residential
- C. Commercial
- D. Transportation
- E. Institutions

Special Initiatives (Other)

The State of Alabama will continue to participate in the ARC Export Trade Advisory Council (ETAC) and will support efforts to increase international trade and export development in Appalachian Alabama. The State will also assist in recruiting industries for trade expeditions and trade shows related to ETAC.

ARC Alabama will participate in the Flex-E-Grant Program for FY-2008 and through this program will continue to address technical assistance, leadership and civic capacity needs in Alabama's distressed counties.

Outreach

The ARC Program Manager conducts an open ARC Applications Workshop in July or August of each year, and speaks about the ARC program annually at the CDBG Applications Workshop. These workshops are opportunities to distribute information about the Appalachian Regional Commission program, and to provide technical assistance in the submission of pre-applications and full applications. Pre-applications for ARC funding are taken the entire month of August.

Key LDD Initiatives

Northwest Alabama Council of Local Governments: (Colbert, Franklin, Lauderdale, Marion and Winston Counties) is served by the Northwest Alabama Council of Local Governments (NACOLG). In FY2008, NACOLG will again sponsor activities that assist underserved, unemployed groups within the region with information to improve their economic quality of life. NACOLG will continue to publicize its State assisted and EDA RLF program in an effort to create jobs and reduce unemployment in the region. Adult education, family literacy, entrepreneurial development, asset based development and the promotion of heritage tourism sites will continue to be a major priority in District 1. Telecommunication projects will be explored and promoted as opportunities for such projects are developed. Also the LDD will promote the use of alternative fuels such as bio-diesel during this period.

Specific projects planned for 2008 include: 1) The LDD will continue to assist in industrial park activities for the City of Guin along Corridor X in Marion County, Barton Riverfront Industrial Park in Colbert County and Northwest Alabama Regional Airport Industrial Park in Muscle Shoals; (2) The LDD will continue to assist local municipalities with providing needed infrastructure and mapping necessary to help industrial parks within the region that are in close proximity to the Toyota plant in Tupelo, Mississippi obtain Tier 1 and Tier 2 automotive industries; (3) The U. S. Department of Commerce, Economic and Statistics Administration and the U. S. Census Bureau is completing the 2010 Local Update of Census Addresses (LUCA) and the LDD will host a local LUCA workshop to assist municipalities participating in the census program; (4) The LDD will continue as workforce development advisory chair for this area in determining available workforce for businesses and industries. NACOLG will provide training classes for upgraded industrial maintenance to industries within the region; (5) The program for preventive health maintenance for Seniors in cooperation with Bevill State Community College and UNA School of Nursing will continue this period; (6) The LDD will provide technical assistance to the Town of Killen and the Town of Rogersville for zoning regulations; and (7) The LDD will continue with the Youth Workforce Development program which will assist school drop outs in achieving a GED and life skills training. The LDD will provide three Senior Aides as mentors for this program which will have meetings in Colbert, Lauderdale, Franklin and Marion counties.

West Alabama Regional Commission: (Bibb, Fayette, Greene, Hale, Lamar, Pickens, Tuscaloosa Counties) are served by the West Alabama Regional Commission. Greene County is the only non-ARC county served by the West Alabama Regional Commission. Many of the priorities in 2008 will continue to be among WARC's initiatives in 2009. Priorities for 2009 include continuation of the use of the Global Positioning System (GPS) to map water systems in West Alabama.

WARC's attention will also be focused on recreation facilities, walking trails, streetscapes and community facilities throughout the region. Other initiatives will address firefighting facilities and equipment for local fire departments and emergency preparedness activities in West Alabama's communities.

Work on the Alabama Rural Action Commission and the Black Belt Action Commission will continue as the region addresses the mission of both organizations, that of improving the quality of life for our citizens.

The LDD hopes to pair the completed tourism DVD and website project with the Western Loop Tourism initiative. In a similar vein, the LDD will continue to work with the Safe House Black History Museum in their efforts to develop their assets and attract travelers and students of history.

Rural transportation planning will remain a priority. This process has engendered a better relationship between rural local governments and the Alabama Department of Transportation.

The LDD plans to continue efforts to help develop telecommunications and Internet access in rural areas. The need is great as are the physical impediments such as hilly terrain and forest lands. The greatest impediment is the cost of bringing these facilities to rural residents.

The LDD continues its interest in education although on a limited scale because other agencies such as boards of education and the State Department of Education are tasked solely with improving education throughout the state. Addressing the problem of school drop-outs years before it becomes an issue, such as through the aforementioned HIPPIY program for three- and four-year-olds, is a very plausible means to reducing the drop-out rates.

Regional Planning Commission of Greater Birmingham: (Blount, Chilton, Jefferson, St. Clair, Shelby and Walker Counties) are served by the Regional Planning Commission of Greater Birmingham. Assistance will be extended to the Coosa Valley Water Supply Authority that was formed to supply treated water to public water systems located in St. Clair and Talladega Counties. An effort is underway in western Blount County to make significant improvements to Rickwood Caverns State Park in an attempt to transform this facility into a high volume recreation oriented destination. Proposed improvements consist of a new access road, large community center building, additional RV camp sites, plus the attraction of new motels and restaurants.

During the coming fiscal year, it is anticipated that ARC construction funds will be requested for the following projects:

- Coosa Valley Water Supply District – will serve six new and/or expanding industries that are served by the four participating water systems.
- Sanitary sewer improvements benefiting commercial/industrial areas, in Pell City, western Blount County and the town of Locust Fork.
- New industrial parks in Blount, Chilton, Jefferson, St. Clair and Walker Counties.
- The development of three reclaimed Brownfield industrial sites located in the City of Birmingham

East Alabama Regional Planning & Development Commission: (Calhoun, Chambers, Cherokee, Clay, Cleburne, Coosa, Etowah, Randolph, Talladega, and Tallapoosa Counties) are served by the East Alabama Regional Planning and Development Commission (EARPDC). The following are the key initiatives for FY2009:

- In the coming year, EARPDC will continue to support efforts to bring broad band via fiber optics to all the school systems in Calhoun County. This work is being done in conjunction with the State of Alabama's ACCESS program. Phase 1 is about to come on-line, with Phase 2 close on its heels.

- EARPDC continues to support the development of infrastructure at its communities' industrial parks. In particular, with the announcement of a Kia automotive plant locating in western Georgia, development has been spurred in Chambers and Tallapoosa Counties.
- EARPDC will continue to work closely with the Governor's Office of Workforce Development to facilitate the workforce development effort in East Alabama.
- The City of Childersburg has been selected as a participant in the Alabama Communities of Excellence. EARPDC will support Childersburg throughout this process.
- Community Development, planning, transportation and emergency management will continue to be priorities with EARPDC.

South Central Alabama Development Commission: (Bullock, Butler, Crenshaw, Lowndes, Macon, and Pike Counties). With the assistance of SCADC, Macon County and its municipalities will continue to implement the projects referenced in FY 2008. The county and the towns will also continue to identify and develop projects for future consideration that will meet or exceed the State's ARC goals and objectives. Broad goals have been recognized at the county and municipal levels that complement the ARC goals, which will assist in driving project identification and development. Activities for FY 2009 include the following:

- Developing new and existing industrial and commercial parks and sites within Macon County, to include infrastructure resources and utility services;
- Expanding the local water system infrastructure in the Town of Shorter;
- Expand the residential and commercial sanitary sewer system to serve the Town of Shorter;
- Expand and upgrade the water and sanitary sewer system infrastructures for the Town of Notasulga;
- Developing a Zoning Ordinance for the unincorporated areas of Macon County to compliment the Macon County Comprehensive Plan;
- Continuing the development of a county-wide GIS;
- Implementing improvements proposed in the Macon County Utility Infrastructure Development Plan to attract industrial growth;
- Continuing the development of a Comprehensive Plan and updating the Zoning Ordinance for the Town of Notasulga in order to provide local officials and residents

- Developing a geographic information system for the Utilities Board of the City of Tuskegee;
- Constructing water system improvements to benefit commercial growth at the Wire Road exit along Interstate 85 in Macon County;
- Developing additional industrial sites with relevant infrastructure for the Town of Shorter;
- Working with the Emergency Management Agencies (EMAs) of two counties (Macon and Butler) to update their County Emergency Operations Plans to include technical hazards in addition to natural hazards.
- Continue working with the Alabama Department of Transportation (ALDOT) to assess the need for Rural Transportation Organizations (RPOs). A detailed work program is being proposed and will be submitted to ALDOT in September 2007.
- Working to comply with the Economic Development Administration's (EDA) required restructure and five-year update of the regional Comprehensive Economic Development Strategy (CEDS).

Central Alabama Regional Planning & Development Commission: (Autauga, Elmore and Montgomery Counties). The Central Alabama Regional Planning and Development Commission (CARPDC) FY2009 activities for Elmore County will consist of the following:

- ◆ **Coosada**- Planning services and technical assistance with zoning and sub-division issues, and Land and Water Conservation Grant Application.
- ◆ **Deatsville** – Planning services and technical assistance with land use and Hazard Mitigation project.
- ◆ **Eclectic** – Planning services and technical assistance with zoning issues, and assisted with ordinance interpretations.
- ◆ **Elmore (Town of)** –Assisted with annexation process, grant assistance (Land and Water Conservation Grant Application and Transportation Enhancement), planning services and technical assistance with zoning and sub-division issues and assisted with ordinance interpretations.
- ◆ **Elmore County** –Completed Comprehensive Planning process, technical assistance to the County Emergency Management Administration and Economic Development Authority, Water Infrastructure Study, Land Use Patterns verse Water Quality Central Elmore County, Transportation Planning (Rural Transportation Organization (RPO)*) and grant assistance.

- ◆ **Millbrook** – Planning services and technical assistance with zoning and sub-division issues, grant assistance (Land and Water Conservation Grant Application and Transportation Enhancement), and provided training and technical assistance.
- ◆ **Tallassee** – Comprehensive Plan, planning services and technical assistance with zoning and sub-division issues, grant assistance (Land and Water Conservation Grant Application and Transportation Enhancement), technical assistance with Economic Development (Industrial Development Authority), and provided technical assistance and training.
- ◆ **Wetumpka** – Update base maps, planning services and technical assistance with zoning and sub-division issues, grant assistance (Land and Water Conservation Grant Application and Transportation Enhancement), Economic Development (New Industrial Park) and provided technical assistance and training.

North Central Alabama Regional Council of Governments: (Cullman, Lawrence, and Morgan Counties) are served by the North-Central Alabama Regional Council of Governments. Priorities for 2009 include: Seeking funding to conduct a Water System Survey and Infrastructure Study for each of the three counties in the Region, beginning with the City of Cullman; supporting recreational facilities, walking trails and community facilities throughout the Region; assisting the Town of North Courtland in seeking funding for two grants: a planning grant for the Town of North Courtland and a grant to construct a multi-purpose building, which will house the town hall and the police department. In addition, NARCOG staff will be mailing ARC grant information for FY 2009 to all member governments and communities within the Region.

NARCOG will continue seeking funding to increase the Revolving Loan Fund asset base in the Region, and will also seek opportunities for conducting seminars providing information on financing needs and will attend workshops and conferences focusing on the financing needs of small businesses.

Top of Alabama Regional Council of Governments: DeKalb, Jackson, Limestone, Madison, and Marshall Counties are served by the Top of Alabama Regional Council of Governments (TARCOG). During 2008-09, the District expects to continue with the following efforts to increase the economic opportunity and quality of life for the area's citizens:

- Continue technical assistance of application and administrative support for grants under programs such as the T-21/SAFTEA-LU, EDA, LWCF, RTP, CDBG and FEMA/FIRE Grant Programs.
- Support economic “targets of opportunity” development projects (i.e. potential BRAC support industrial park location and identified “Mega Site” in east central Limestone County.

- Work to secure funding for road and access upgrades to the Huntsville/Madison County Jetplex industrial park complex. This is related to both BRAC projections, and area high-tech industrial cluster growth.
- Continue to work closely with Huntsville to provide needed infrastructure for the rapidly developing bio-medical Park, and the establishment of a related high-tech medical research cluster in the area.
- Complete and publish the revised Regional Economic Atlas (September 2008).
- Continue support of economic development infrastructure projects – i.e.
 - 1) City of Fort Payne wastewater upgrade and potential Kid's Place Phase II industrial access support project(s).
 - 2) City of Bridgeport/Jackson County: Medical Clinic: water, gas & sewer.
 - 3) City of Albertville/Marshall County: continued expansion of water and sewer access for industrial expansion of the area adjacent to the Airport.
 - 4) City of Guntersville port facility.
- Respond to any local “crisis” actions (i.e. infrastructure fires, tornado's/flooding).
- Continue Rural Transportation Planning Program (RPO,) generate prioritized District projects listing and develop a strong local official's participation in ALDOT's allocation and prioritization planning process.
- Continue ADEM Sub-Watershed/water quality monitoring studies in DeKalb County;
- Continue and broaden RLF efforts with program expansions into a microloan program. (2008/09 microloan goal: establish program and loan \$100K, with a projected result of the generation of \$300K in private investments, and the creation of 20 new jobs.)
- Continued support of area USDA Community Facilities Loan Program applications (goal: assist 3-5 communities with USDA projects during FY '08/09).
- Promote and provide planning and application support for area Hazard Mitigation and other FEMA related planning/grant applications.
- Initiate preparatory assistance to local governments for the Census' LUCA boundary and unit counting program, in order to insure accurate District 2010 Census counts.

Staff participation will continue in vital information streaming on BRAC developments; RPO project and funding planning; job retention training and workforce development coordination and advocacy; and, critical environmental issues. In addition, the District will continue to monitor Homeland Security issues, and keep the counties advised on potential impacts.

State ARC Program Policies

The State of Alabama's Appalachian Regional Commission Program will focus primarily on areas of highest need, areas suffering from economic depression, areas with existing health hazards, areas where projects will have the most significant impact, and areas that are not able to help themselves. Each project for which ARC funding is requested will be considered on a case-by-case basis, and must contain performance measures consistent with those set by the Commission in their Performance Plan for FY2009. ARC funds will not be used for workforce development projects if it is a duplication of funding through the Workforce Development program. An ARC workshop, which is an open

workshop, is held annually and preapplications are taken for an entire month. The workshop notice and agenda are also posted on ADECA's web site at least two months prior to the workshop in order to give as much notice as possible for solicitation of preapplications. The Local Development Districts (LDDs) are encouraged to solicit as many proposals as possible within their service area so that the needs of the Appalachian people can be identified. The ARC program manager works closely with the LDDs and local government officials as well as nonprofit organizations to address the needs of Alabama's Appalachian citizens.

The State's maximum threshold for counties designated by the ARC as "distressed" will be 80 percent with a maximum of \$200,000 in ARC funds per project. The maximum threshold for counties designated by the ARC as "transitional" will be 50 percent with a maximum of \$200,000 in ARC funds per project. The maximum threshold for counties designated as "at-risk" may be up to 70 percent (contingent upon approval by Congress) with a maximum of \$200,000 in ARC funds per project. State thresholds for Administrative Grants for Local Development Districts (LDDs) will be 50 percent, except for those LDDs with "distressed" counties: the threshold will be 75 percent with a 25 percent match.

The State's Consolidated Technical Assistance program will be funded at a maximum of 50 percent. The maximum threshold for counties designated as "competitive" will be 30 percent with a maximum of \$200,000 in ARC funds per project. ARC funds are ineligible for activities occurring in counties designated as "attainment," except in the case of multi-county projects, which provide clearly defined benefits in one or more "distressed" counties. A waiver of the restriction for "attainment" counties may be requested in accordance with Section 7-6.6 of the ARC Code. Funding for Revolving Loan (RLF) programs will be considered with respect to established Commission-approved RLF Guidelines.

Projects are considered on a year-to-year basis with a maximum of three years' funding unless there are extenuating circumstances. The State will not fund projects to construct or renovate school buildings, except in emergencies. Project overruns will not generally be considered for additional ARC funding. When there are project underruns, ARC funds will generally be deobligated, returned, and made available for other eligible projects. A request for proportional reduction will be given consideration in projects with underruns.

Under certain circumstances, the state may waive the state policy maximum of \$200,000 per project. The State will target areas of greatest need, and will respond with ARC funding in emergency situations and whenever special development opportunities arise. The maximum threshold for emergency relief projects and projects considered as special development opportunities will be 80/20.

The state will work closely with the Alabama Development Office in efforts to increase trade in Appalachian Alabama, and will participate in trade events as well as events sponsored by the ARC Export Trade Advisory Council. The State of Alabama will support programs that increase export sales of small and medium-sized firms (SMEs) from Appalachian Alabama as well as programs that increase the number of SMEs engaged in international trade.

The State of Alabama will work closely with national and local partners to foster public and private partnerships to achieve these goals and objectives.

All project applications submitted will be required to include performance measures as a part of the application process. All projects submitted to the state for ARC funding must have output and outcome measures included in an evaluation plan from the grantee.

Appendix 1

LDD Directory

NORTHWEST – Region 1

Executive Director: Keith Jones
Address: Northwest Alabama Council
of Local Governments
PO Box 2603
Muscle Shoals, AL 35662
Telephone: 256-389-0500
E-mail kjones@nwscc.cc.al.us
Counties Included: Colbert, Franklin, Lauderdale, Marion, Winston

WEST ALABAMA – Region 2

Executive Director: Robert B. Lake
West Alabama Regional
Commission
4200 Highway 69, North, Suite 1
P. O. Box 509
Northport, AL 35476
Telephone: 205-333-2990
E-mail warc@adss.alabama.gov
Counties Included: Bibb, Fayette, Hale, Lamar, Pickens, Tuscaloosa, (Greene)

Greater BIRMINGHAM-Region 3

Executive Director: Charles Ball
Address: Regional Planning Commission
Of Greater Birmingham
Suite 200
1731 First Avenue, North
Birmingham, AL 35203
Telephone: 205-251-8139
E-mail CBall@rpcgb.org
Counties Included: Blount, Chilton, Jefferson, Cherokee, St. Clair, Shelby, Walker

EAST ALABAMA – Region 4

Executive Director: James W. (Bill) Curtis, AICP
Address: East Alabama Regional Planning
& Development Commission
(1130 Quintard Ave., Suite 300)
P.O. Box 2186
Anniston, AL 36202
E-mail www.earpdc.org
Telephone: 256-237-6741
Counties Included: Calhoun, Chambers, Cherokee, Clay, Cleburne, Coosa, Etowah, Randolph, Talladega, Tallapoosa

SOUTH CENTRAL ALABAMA – Region 5

Executive Director: Tyson Howard
Address: South Central Alabama
Development Commission
5900 Carmichael Place
Montgomery, AL 36117-2345
Website: www.scadc@adss.alabama.gov

Telephone: 334-244-6903
E-mail mdeberry@adss.alabama.gov
Counties Included: Macon (Bullock, Butler, Crenshaw, Lowndes, Montgomery, Pike)

CENTRAL ALABAMA – Region 9

Executive Director: Bill Tucker
Address: Central Alabama Regional
Planning & Dev. Commission
430 South Court Street
Montgomery, AL 36104
Telephone: 334-262-4300
E-mail director@carpdc.com
Counties Included: Elmore (Autauga, Montgomery)

NORTH CENTRAL – Region 11

Executive Director: C. Ronald Matthews
Address: North Central Alabama Regional
Council of Governments
216 Jackson Street, SE
Decatur, AL 35602
Telephone: 256-355-4515
E-mail pwhite@adss.alabama.gov
Counties Included: Cullman, Lawrence, Morgan

TOP OF ALABAMA –Region 12

Executive Director: Robert B. Culver
Top of Alabama Regional Council
of Governments
5075 Research Drive, N.W.
Huntsville, AL 35805
Telephone: 256-830-0818
E-mail tarcoq.12@adss.alabama.gov
Counties Included: DeKalb, Jackson, Limestone, Madison, Marshall